

have made America a better place; you've made the world a finer place.

And as we look to the new century, I hope that as time goes on we will be known more and more for things beyond our wealth and power, that go to the wealth and power of our spirit. Insofar as that happens, it will be because of you and people like you. And it was a privilege for all of us to honor you today.

I would like to ask all of you here to join me in a toast to the 1999 winners of the Medal of Arts and the Medal of Humanities.

[At this point, the participants drank a toast.]

The President. And welcome. Thank you.

NOTE: The President spoke at 8:40 p.m. in the East Room at the White House. In his remarks, the President referred to humorist Garrison Keillor, recipient, National Humanities Medal.

Statement on Signing the Energy and Water Development Appropriations Act, 2000

September 30, 1999

I have signed into law H.R. 2605, the "Energy and Water Development Appropriations Act, 2000," which provides \$21.4 billion in discretionary budget authority for the programs of the Department of Energy, the Department of the Interior's Bureau of Reclamation, the Army Corps of Engineers, and several smaller agencies.

The Act provides necessary funding to maintain my Administration's commitment to ensuring the safety and reliability of our Nation's nuclear weapons stockpile without nuclear testing. The Act also provides funding to develop and protect the Nation's water resources.

I am disappointed that the Congress has not included full funding for my request for the Spallation Neutron Source, for additional safeguards and security reforms at the Department of Energy laboratories, or for research and development of renewable energy sources. I am also disappointed that the Congress has provided no funding for the Next Generation Internet and Information Technology Initiatives. Also, I note that the bill contains language that prohibits the Army

Corps of Engineers from studying the full range of options for salmon recovery in the Pacific Northwest. I will continue to work with the Congress on this important national priority. Finally, I am disappointed that the Congress has not enacted my Harbor Services Fund proposal, which would provide a stable source of funding for port and harbor activities and free up funds for other priority projects and programs. My Administration will work with the Congress on options for financing and increasing support for these initiatives in the future.

William J. Clinton

The White House,
September 29, 1999.

NOTE: H.R. 2605, approved September 29, was assigned Public Law No. 106-60. This statement was released by the Office of the Press Secretary on September 30.

Remarks on Signing the Continuing Resolution and an Exchange With Reporters

September 30, 1999

The President. Good afternoon. I wanted to talk to you before I leave for New York about two developments affecting our economy and the progress we are making to build a stronger one.

Today we have further evidence that our economic strategy of fiscal discipline, investment in our people, and expanded trade is working. In the 12 years before I came to Washington, irresponsible policies here quadrupled our debt. That led us to high interest rates and high unemployment, stagnant wages, and low growth. The Vice President and I came here determined to change all that, to put the American people first and give them the tools to turn around the American economy.

Over the last 6½ years, the results speak for themselves: the longest peacetime expansion in history, more than 19 million new jobs, the lowest unemployment in 29 years, the lowest welfare rolls in 32 years, the first back-to-back surpluses in 42 years, the largest surplus and the highest homeownership in history.

Today I am pleased to announce another economic milestone in the implementation of this strategy. In its annual study on income and poverty in America, the Census Bureau reports that a typical household income rose \$1,304 in just one year, from \$37,581 in 1997 to \$38,885 in 1998. That's a 3.5 percent increase in a year, tied for the largest since 1978, allowing American families more money for things that matter, sending their children to college, buying a home, purchasing a car, saving for retirement.

The report also shows that since we launched our economic plan in 1993, median family income is the highest it has ever been, increasing from \$41,691 in '93 to \$46,737 in '98. That's over \$5,000 more that hard-working families can put to good use. But the best news is that these gains finally are being shared with all groups in America, from the wealthiest to the poorest.

In the 1980's, most working families saw their incomes stagnate, with the worst performance at the bottom of the economic scale. In the last 5 years, finally, we have stemmed the tide of rising inequality, and this new report documents the strong income growth among all groups of people.

This broadbased growth has helped to lift millions of hardworking families out of poverty. The report shows that the poverty rate fell to 12.7 percent. That is the lowest poverty rate since 1979, the lowest rate in 20 years.

While we still have room for improvement, the African-American poverty rate is now at its lowest level on record; the Hispanic poverty rate its lowest level in 20 years. And we know that 4.3 million Americans were lifted out of poverty last year because of our expanded earned-income tax credit, which was a critical part of the economic reform plan in 1993. It is now, inexplicably to me, under attack by some in Congress.

Our economy is now working for all the American people, and it has to continue. That brings me to my second point.

Today is the last day of the current fiscal year. Because the Congress has not finished its work, it must send me a continuing resolution, a temporary spending measure to keep the Government working for 3 more weeks. But it should be sending me spending bills

that meet the great challenges and opportunities before us, that protect and strengthen Social Security, that strengthen and modernize Medicare with prescription drug coverage, that make vital investments in education, national security, the environment, medical research, and other critical areas, and that enable us to pay down the American debt so that we can pay it off, for the first time since 1835, over the next 15 years.

Now, a few minutes ago, just before I came out here, I signed that continuing spending bill, not because I wanted to, but because it was the only way to prevent another Government shutdown. Months ago I presented a responsible budget plan that pays for itself, invests in education, saves Social Security and Medicare, puts us on the path to paying America out of debt by 2015*. Regrettably, the majority in Congress, the Republican majority, has chosen to disregard the way I put this budget together and to disregard the path of fiscal discipline.

Instead of making the difficult choices to finish their work and crafting a responsible budget, they've resorted to gimmicks and gamesmanship, like using two sets of books and designating the fully predictable census, for example, as emergency spending.

But they're doing something else that troubles me more. To disguise the fact that they're spending the Social Security surplus, the congressional majority wants to delay earned-income tax payments to nearly 20 million families. Now, the income and poverty figures I announced earlier show that 4.3 million Americans were lifted out of poverty last year, twice the number that were lifted out of poverty by the earned-income tax credit before we expanded it in 1993.

We've worked hard to eliminate barriers to families who are working their way out of poverty. We've got record numbers of people moving from welfare to work, often at very modest wages, eligible for this earned-income tax credit. Delaying their EITC payments would put one more roadblock in their way.

* White House correction.

So let me be clear: I will not sign a bill that turns its back on these hardworking families. They're doing all they can to lift themselves out of poverty, to raise their children with dignity. I don't think we should be putting more roadblocks in their way. Delaying the earned-income tax credit payment is more than a gimmick. It is an effective tax increase on the most hard-pressed working Americans.

Now, one of the most interesting developments of the last week in this budget fight, which as I said, I was hoping would not be a fight and I still hope will be resolved—but one of the most interesting things to me about this last week is that the Republican majority actually launched an ad campaign that plays the worst kind of politics with this issue. Instead of spending their time creating an honest budget, they're spending millions of dollars creating phony ads to accuse the Democrats in Congress, who are in the minority, of doing what the Congressional Budget Office, their own Congressional Budget Office, says they are doing. That is, spending the Social Security surplus.

In fact, just yesterday, the very day they were announcing these misleading and unfair ads, their own Congressional Budget Office sent them a letter that shows they are spending \$18 billion from the Social Security surplus. Now, I can't help noting that these are the same people who told us they could spend all this money and cut taxes \$792 billion, and never touch the Social Security surplus.

Let's back up and look at where we are here, really. I had a lot of difficult decisions in my budget. I had a cigarette tax; I had a tax on polluters to clean up toxic waste dumps. Why did I put that in there, knowing it would be controversial? Because there was a general consensus here that with the second year of a budget surplus, we ought to move as quickly as possible to divide the surpluses, if you will, the Social Security from the non-Social Security, and that we would move this year to try to stop spending Social Security funds that the Government had been spending since 1983, at least since 1983, when the revenues were raised.

And so we all said, "Okay, let's try to do it this year." And so, I knew it would be hard,

but I said, "Okay, I'll do my part. I'll try to do this. But we're going to have to make some tough decisions here if we're going to meet the need of people in both parties—the investment priorities."

Then they said, "No, we don't want to do that." The Republican majority said, "No, we don't want to do that. We don't want a cigarette tax, and we don't want to ask the polluters to pay more for the toxic waste." Once they said that, to be fair, there was no way they could avoid at least one more year of spending Social Security funds.

Now, that's where we are on this. That's really what's going on. And there is another way. We don't have to do this. We don't have to get into an ad war where they accuse us of doing what they're doing, that their own Congressional Budget Office says they're doing. And they don't have to act like if they get caught doing it, they've, in effect, committed a felony.

There was a decision they had to make. When we decided we were going to try to get out of spending Social Security funds this year, instead of next year, they had to make a decision. And the decision was to close corporate loopholes, deal with the toxic waste dumps by asking polluters to pay more, and raise the cigarette tax. If they weren't willing to make that decision, they were going to be in the pickle they're in now. Now, that's what happened.

It doesn't have to be this way. We can work together. We can fashion a budget that builds on our economic prosperity and eliminates the public debt by the year 2015 and extends the life of the Social Security Trust Fund to 2050, past the life expectancy of the baby boomers, rendering this momentary debate completely irrelevant by dealing with the long-term security of the country. And that is what we ought to do.

I also would say it is profoundly important that we fund the right kind of education budget that has 100,000 teachers, that supports our efforts to mentor poor kids and get them to college, that supports our efforts to help young people read, and that gives our kids access to after-school programs; that doesn't undercut our efforts to connect all the classrooms to the Internet next year, that helps us to build or modernize 6,000 schools,

that helps us to have some real accountability so we get what works and we stop funding what doesn't.

That's the other big, outstanding question in this budget debate that has nothing to do with what the ads are about: What kind of education policy we're going to have; what kind of future are we going to give our kids. Then there's the whole criminal justice issue which we've argued about since 1994, that we've got the lowest crime rate in 26 years, but it's still too high, and I want to fund another 50,000 police to go out there in the most dangerous neighborhoods to prevent crime from happening in the first place, through the community policing program.

So that is what I wanted to say. We don't need gimmicks in the budget, and we don't need gimmicks on the airwaves. What we need to do is to roll up our sleeves and go to work together and make decisions and tell the American people why we made them and what they are and what the long-term consequences are.

The Congress now has 3 weeks to finish the job the American people sent them to Washington to do. I will work with Congress on a budget that honors our commitments, that protects Social Security and Medicare. If we work together to meet these objectives—keep in mind, if we work together to meet these objectives, we could pass a long-term budget that not only gets us out of debt by 2015 but actually has an affordable program for middle-class tax relief.

But this argument that's being held now, and this sort of ad war is, I think, the worst kind of—first of all, it's misleading. And secondly, it's a waste of time and money. What we need to do is to roll up our sleeves and do the job the American people sent us here to do.

So, thank you.

Korean War Massacre

Q. Mr. President, what's your reaction to the Associated Press report of a massacre of hundreds of refugees by American servicemen during the Korean war? There is—a dozen veterans of that war are quoted as corroborating this account. Do you think there should be an investigation?

The President. Yes. The most important thing you need to know about that is—I was briefed on it this morning—is that Secretary Cohen has said that he wants to look into this. He wants to get to the bottom of it. He wants to examine all the available information and evidence. And he has assured us that he will do that. And that was his immediate instinct, too. And I appreciated it.

2000 Presidential Election

Q. Mr. President, the Vice President seems to be in some political trouble, despite the good economic numbers that you cite. Mr. Bradley, former Senator Bradley, has out-raised him in the last quarter. I would like to know whether you counseled him to move his headquarters, whether you thought he panicked, and why you think that people like Senator Moynihan say that he can't be elected—Senator Moynihan who, of course, backs Mrs. Clinton.

The President. I gave you enough time to put all of your little twists in there, didn't I? [Laughter]

First of all, let me say I think it's a good decision, the decision he made to move his headquarters to Tennessee. I suppose I think that because I had such a good experience when I stayed home and close to my roots. We discussed it a long time ago. But I can tell you I'm absolutely—he called me yesterday morning, he said that he had made a decision to do this. And we had not discussed it in, I don't know, a good while. I'm absolutely—he told me a week or so ago that he was thinking about some things that he thought would help his campaign and make it more consistent with the kind of message that he wanted to convey to the American people and the kind of campaign he personally wanted to run. And he announced those three decisions yesterday, and I approve of all of them. I think they were good decisions. And I think they'll get good results. And the most important thing is, he made them, and he believes in them. And that's all you can do in one of these campaigns.

Q. What's the problem? Has it been you? Has it been the record of the administration?

The President. Well, first of all, I think he's, by all reports I get, he's personally doing

quite well out there, and I think he will continue to do well. So I don't have the same take on it you do. I'm not a political analyst anymore. I have to stay here and do my job. But the only thing I would say is, when you run for President, you need to know what you want America to look like, and then you need to have good ideas, and you need to try to share them with people in a way they can relate to. And I believe he'll be—I believe he'll do quite well.

Keep in mind, we're a long way from the end of the road here.

Tax Policy and Federal Spending

Q. On the budget, if the Republicans won't give you the taxes you want, what's the alternative? Cut back on the spending you want? How do you get out of this pickle?

The President. Well, the alternative is, just mechanically—if they won't raise money, the alternative is, you either have to say—well, let me say what the alternative is not, first. The alternative is not their gimmicks, and then we'll come up with our gimmicks, and we'll all see who can out-gimmick someone else. That is not the alternative.

The alternative should be that we decide we're going to cut back on the spending for a year. Or if it's too severe—and from what we hear out there in the country from—and what we know about the needs of education, what we know about what we both want to do to help restore our ability to recruit in the military and help our military families with a pay increase there, what we know in a number of other areas—if we decide to spend this money together, if we jointly agree on it, and it won't allow us to have a divided surplus, which keep in mind, we want to do this year, then both parties need to agree on that.

Now, I strongly prefer to go on and get out of the Social Security surplus this year. And what I proposed is not all that onerous—I mean, dealing with—the corporate loopholes I proposed to close, the cigarette tax, and the toxic waste dump fees. That's not all that bad. You could always compromise. You could raise less and spend a little less.

But my point is, the most important thing is, we should be straightforward with the American people about this, and we

shouldn't try to get them all tied up in knots and pretend that something is going on that isn't. We know we are going to now have, in the future years, a surplus that will—except when we have economic downturns—but on average, a surplus that will be large enough, projected, that we can meet the future needs of education, the environment, national security, out of non-Social Security revenues.

Now, this is a—let me remind you all, this is a new development. When we were in the deficit spending mode all during the eighties—all of you know this; you wrote about it a lot—the deficits were made to seem smaller than they were because Social Security revenues were in surplus over Social Security payments. They are still in surplus over Social Security payments, but now other revenues are in surplus over other spending this year.

But the '97 budget caps were very tight; they were for the teaching hospitals; they were for a lot of other things; they were when it comes to continuing to improve education. And we do need to spend some more on national defense, as all of you know—at least I feel that way, and the Republicans do, too, because of the problems for the military families and some modernization problems. So this whole question that there is just so much agitation on and all these ads filling the airwaves, it's really about the fact that when they started looking at their budget, they couldn't get out of the Social Security funds until next year either unless they were willing to raise some money this year from the cigarette tax, from closing corporate loopholes, or the toxic waste dumps.

So all I'm suggesting is, we need to sort of stop misleading the American people—they need to, with their television ads—and we need to sit down and work this out and figure out what's right for the people, make the right disciplined choices and go forward.

Q. Mr. President, you said you need to sit down and talk, and yet there are some Republicans on the Hill who make it clear that that's the last thing they want to do, is to sit down with the White House and start negotiating. What is the status—

The President. That's the last thing they want to do.

Q. Right.

The President. Yes, that's right.

Q. So what is the status of communication right now, and how can you get out of this if you all don't start communicating?

The President. Well, I don't think we can if we don't start communicating. But all I'm telling you is—they've had a debate, apparently, within their caucus in both houses about whether we ought to join hands and do the, evidently, right thing for the American people, and also be candid about this budget problem that they have—because they're philosophically opposed to raising the cigarette tax and they don't want to close any corporate loopholes right now. We've just got to figure out if there is a resolution to that. And then there are those who believe that they can somehow create this whole other issue, spending the Social Security surplus, and then say that they're not doing it, we're doing it, even though they're in the majority and they approve all the money; or they can say, well, I made them do it somehow. That's what's going on here.

So there are people who believe in their caucus that somehow they can make some big political issue out of this. And then there are those who want to get something done. I had a long talk with a committee chairman yesterday, and I won't identify him for fear of hurting him. But we talked a long time about how we need to make an honest effort to resolve the differences between where they are and where we are on the areas within his jurisdiction.

So I think there is a difference of opinion. I think a lot of them would like to just show up for work tomorrow. And that's what I hope we'll do.

Japanese Nuclear Accident

Q. Has Japan asked for American help in dealing with its nuclear accident? And how would the United States treat such a request?

The President. Well, first of all—and I should have said this the very first thing—we are all very concerned, and our thoughts and prayers are with the people in Japan today because of this uranium plant accident. You can only imagine how difficult this must be for them, quite apart from whatever the

facts are. This is going to be a very hard day for the people of Japan.

And we are doing our best to determine what, in fact, has happened and what assistance we can give. And we will do whatever we possibly can that will be helpful to them. And we will try to be as comprehensive and prompt about it as possible.

Mortgage for New York Residence

Q. Mr. President, what about your mortgage, sir? Do you now understand why some people felt that it was improper for you to arrange a mortgage with a loan guarantee from Mr. McAuliffe? And are you now planning to get a different kind of mortgage?

The President. Well, I will stay with what Mr. Lockhart has told you about that. We had just a day or two to get that house; a lot of people wanted it for the same reason we liked it. A lot of people like the house. It's a nice place. We liked it. So we did what was necessary to secure it.

Now, we're going to close on it in a little more than a month. And if we change the financing between now and then, we'll let you know as soon as we do. But we did not do it before we got an opinion from the Office of Government Ethics about the mechanics of it, and that it did not constitute a gift under Federal law.

Q. Why wouldn't Bowles and Rubin help?

The President. They were—I don't have anything to say about that. McAuliffe called me the first thing when I was talking to him, and he said, "Look, if you can get somebody else to do it, fine." I think because—everybody thought it was a legitimate business arrangement. No one thought there was anything wrong with it, all the people I talked to about it, and all the people anybody else talked to about it.

I think some people didn't want to do it because they know they live in a world where they live in the Larry Klayman political press world in which what's true is not as important as whether you can be dragged around; you have to spend a lot of money you don't have or you'd rather not spend for reasons that have nothing to do with anything that's real.

It's like this television ad campaign, to go back to the budget issue. There is the rest of the world and the way it works and the

way people view things, and then there is the way a lot of things around here work. And so I don't—anybody that's ever been through it knows that's true.

You're all smiling because you think, I wonder if the President made a mistake by committing the truth in that last remark. I can see you all smiling and thinking that. [Laughter] So all I can tell you is, I feel good about where we are on it. We're going to close on it in a month, and we're excited about it. And if we change the financing, we'll let you know.

Thank you.

NOTE: The President spoke at 12:55 p.m. in the Briefing Room at the White House. In his remarks, he referred to Larry Klayman, chairman, Judicial Watch, Inc.; former Chief of Staff to the President Erskine B. Bowles; former Secretary of the Treasury Robert E. Rubin; and Terence McAuliffe, loan guarantor of the First Family's residence Chappaqua, NY.

Remarks at the National Education Summit in Palisades, New York *September 30, 1999*

Thank you very much. Good afternoon, Governors, education leaders, business leaders. I am delighted to be here. I thank my good friend, Governor Hunt, for his remarks. This year marks the 20-year anniversary from the time you and Secretary Riley and I started working together on education.

I want to thank Governor Thompson for his interest in this, and so many other issues. Tommy Thompson is the first Governor who told me that he thought that he could really move, literally, every able-bodied welfare recipient in Wisconsin to work. And I think they've had a 91 percent drop in the rolls. He nearly got it done. Congratulations, that's an amazing achievement.

And I want to especially thank Lou Gerstner and all the business leaders here, because you kept the idea of the summit alive and understood the importance of consistent and systematic followup with the Governors, with the educators. I am very grateful to you for doing this. Most people like you do a project like this for a year or 2 and then they

forget it and go on to something else. And you haven't done it, and I'm very grateful.

And for all of you who were here 3½ years ago, who stayed involved in this, I thank you.

Governor Hunt—I was watching him on the monitor outside—talked about the issuance of the “Nation At Risk” report 16 years ago, the meeting we had 15 years ago. The first National Education Summit was in Charlottesville 10 years ago this week. And some of us were there then. President Bush, his Education Department, education leaders from around the country, we were all together. And we came together to embrace the concept and specifics of national education goals.

At the second summit, here in Palisades 3½ years ago, we supported the idea that every State should set standards. At this third summit I hope we will embrace with equal fervor the idea of accountability, for only by holding educators, schools, students, and ourselves accountable for meeting the standards we have set will we reach the goals we seek.

We have made significant progress, particularly in the ideas governing the way we look at this. More and more we're leaving behind the old divisions between one side saying “We need more money,” and the other side saying “We shouldn't invest any more money in our public schools, it's hopeless.” By and large, there is a new consensus for greater investment and greater accountability, greater investment and higher standards and higher quality teachers to help students reach the standards; holding the schools accountable for the results. That's the agenda of Achieve, the agenda of our administration, clearly the right agenda for the United States.

I think it is another mark of progress and something that many of you in this room can feel profoundly both proud of and grateful for, that 10 full years after Charlottesville and now more than 16 years after the issuance of the “Nation at Risk” report, there is still a passionate sense of national urgency about school reform and about lifting education standards. And there are people who get up every day full of energy about it, not cynical, not skeptical, not jaded, not tired, still eager to learn. People in Governors' offices, people